O 231742Z SEP 08

FM AMEMBASSY PRETORIA

TO SECSTATE WASHDC IMMEDIATE 5791

INFO AFRICAN UNION COLLECTIVE IMMEDIATE

AMCONSUL CAPE TOWN IMMEDIATE

AMCONSUL DURBAN IMMEDIATE

AMCONSUL JOHANNESBURG IMMEDIATE

USMISSION USUN NEW YORK IMMEDIATE

CIA WASHINGTON DC IMMEDIATE

NSC WASHDC IMMEDIATE

UNCLAS PRETORIA 002102

E.O. 12958: N/A TAGS: <u>PGOV KDEM</u> <u>SF</u>

future.

SUBJECT: SAG DEPUTY PRESIDENT AND ONE THIRD OF CABINET MINISTERS/DEPUTY MINISTERS RESIGN WITH PRESIDENT MBEKI

11. Summary: The resignation of Deputy President Phumzile Mlambo-Ngcuka came as no surprise, due to her loyalty towards President Thabo Mbeki, and her controversial standing with the new African National Congress (ANC) senior leadership. Although the ANC said her resignation was regrettable, and was not asked for, her loyalty towards Mbeki almost guaranteed she had no future with the ANC. In a similar manner, the announcement of the resignation of a number of cabinet ministers and deputy ministers was seen as a dramatic act of solidarity with the former President Mbeki; as the ANC leadership had publicly and privately conveyed their desire that all "ANC deployees remain in their posts." End Summary.

MBEKI ALLIES WARNED THAT THEY WERE LOYAL...

12. Prior to President Mbeki's forced resignation on September 21, several cabinet ministers, including the Deputy President Phumzile Mlambo-Ngcuka, signaled that they would likely step down if Mbeki was asked to resign. The internal polarization within the ANC based on factional competition between supporters of Mbeki and ANC President Jacob Zuma had reach an untenable level by September. In 2008, the new ANC leadership removed Mbeki supporters and replaced them with Zuma supporters at the provincial and municipal levels to reflect the victory of Zuma over Mbeki in December 2008 in Polokwane. Tension within the ANC continued to grow in response to the "two centers of power" conflict. ANC members were being pushed to the side because they were "guilty" of supporting Mbeki. Following the statement by the ANC National Executive Committee (NEC) "recalling" Mbeki as SAG president on September 20, Mbeki announced his resignation the following day. In this atmosphere, close political allies of Mbeki believed they faced an uncertain political

- 13. In this dramatic turn of events, the NEC and Zuma himself sought to reassure ANC office holders that he wished to them, as ANC "deployees" to stay in their posts to assure stability in this transition. However, today the ANC confirmed resignations of Deputy President Mlambo-Ngcuka, Minister of Defense Mosiuoa Lekota, Minister in the Presidency Essop Pahad, Minister of Intelligence Ronnie Kasrils, Minister of Public Enterprises Alec Erwin, Minister of Science and Technology Mosimuba Mangena and Minister of Provincial and Local Government Sydney Mfumadi. Despite Zuma's assurances, this group is deeply distrusted by Zuma's supporters, and though they are loyal ANC members, may not be asked to join the government of temporary acting president Mothlante or a Zuma cabinet after national elections in early 2009.
- 14. A number of other ministers that resigned today appear to have done so primarily out of formality and loyalty to Mbeki in a dramatic public act. Some of them have indicated that they are prepared to serve under a new ANC President. These

ministers include; Minister of Finance Trevor Manuel, Minister of Correctional Services Ngconde Balfour, Minister of Public Works Thoko Didiza, Minister of Public Service and Administration Geraldine Fraser-Moleketi, Deputy Minister of QAdministration Geraldine Fraser-Moleketi, Deputy Minister of Foreign Affairs Aziz Pahad, Deputy Minister of Finance Jabu Moleketi and Deputy Minister of Correctional Services Loretta Jacobus.

MLAMBO-NGCUKA -- GUILTY BY ASSOCIATION

- 15. While serving as head of the National Prosecuting Authority (NPA) in 2001, Bulelani Ngcuka (the husband of Phumzile Mlambo-Ngcuka) announced after the corruption charges were filed against Zuma advisor Shabir Shaik, that the NPA had "a prime facie case" against Jacob Zuma, but the NPA would not prosecute him at that time because they did not have a winnable case. In 2005, Thabo Mbeki relieved Jacob Zuma of his duties as SAG deputy president, following the guilty verdict was reached against Schabir Shaik. Mbeki replaced Zuma with Bulelani's wife Phumzile; earning her the eternal distrust and dislike of Zuma's most ardent supporters. This sentiment and her association with her husband added unconfirmed speculation about an alleged conspiracy against Zuma by Mbeki and his cabinet.
- 16. Phumzile was appointed as deputy president by President Thabo Mbeki and is correctly perceived as a Mbeki loyalist with little struggle credentials or individual standing within the ANC. Although an ANC member she was never affiliated to the ANC Women's League. Her appointment also came at a time when Mbeki was promoting female representation in government positions as well as the idea of a woman as his successor in the presidency -- e.g., Phumzile. This suggestion gained her no friends among Zuma's true believers.

COMMENT: LOYALTY AND NATIONALISM

COMMENT: LOYALTY AND NATIONALISM

17. In recent days, in response to the dramatic events flowing from the ANC, local pundits and analysts have speculated that the factionalism within the ANC could lead to a split by disgruntled party members who would challenge the core ANC in future elections. Post's view is that though this may be a future prospect, it is unlikely for the near term. As demonstrated by Mbeki, his loyalty to and respect for the ANC provided him only one choice when the NEC recalled him -- he obliged/complied. Similarly, it is likely that if, after this dramatic group resignation, Zuma asks these cabinet members to return and serve the ANC and South Africa, the bulk of them will respond positively. However, the friction between the supporters of Mbeki and Zuma is real and deep. Such that some of these leaders will not be asked to return.

BOST